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11 May 1967

DCI BRIEFING FOR
RIVERS SUBCOMMITTEE

VIETNAM

- I. In Vietnam, the enemy build-up along the Demilitarized Zone, which we have been watching for several months, was first dramatized April 6th and 7th by the major Communist raids in and around Quang Tri city and Hue, the capitals of South Vietnam's two northernmost provinces.
 - A. The accelerated tempo of enemy operations in northern I Corps continued on 27 and 28 April as Communist units unleashed their heaviest coordinated mortar, rocket, and artillery bombardment of the Vietnam War against US Marine positions just south of the DMZ in Quang Tri Province and at the coastal conclave of Phu Bai in adjacent Thua Thien Province.
 - B. Most recently, US Marines have engaged elements of two North Vietnamese regiments in nearly two weeks of sustained heavy fighting near Khe Sanh in the western region of Quang Tri Province. The battle for control of three strategic hills astride key enemy infiltration routes into Quang Tri from both Laos and the DMZ has proved very costly to both

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sides, as reflected in Communist losses of 550 confirmed killed (plus an additional 600 estimated killed) and US losses of nearly 550 killed and wounded.

C.

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indicates that three third-generation regiments of the 325th NVA Division are presently operating along the Laos/Quang Tri border, and that elements of at least two of these regiments participated in the recent heavy fighting at Khe Sanh.

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F. Since the beginning of 1967, the Communists have extended a feeder road--Route 922--from the Laos panhandle into the A Shau Valley of western Thua Thien Province, giving them their first motorable through road from the North, all the way down the Laotian panhandle, and into the South.

1. Ground observers, aerial photography, and the results of B-52 strikes have confirmed a considerable build-up and extensive stockpiling in the A Shau Valley, and in base areas near Route 922 in Laos.

II.

indicated that the Communists plan a major "summer" campaign in the Quang Tri - Thua Thien areas; one officer has reported plans for regimental and even division-sized actions. Various lower level sources talk of plans to seize the two provinces.

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A. A threat to such towns as Quang Tri and Hue cannot be ruled out, but the Communists seem more likely to undertake actions designed to protect their infiltration routes through Laos and the western DMZ area, and to keep allied forces spread out. They want to maintain favorable conditions for attacking isolated U.S. units and for preventing the government's Revolutionary Development activities.

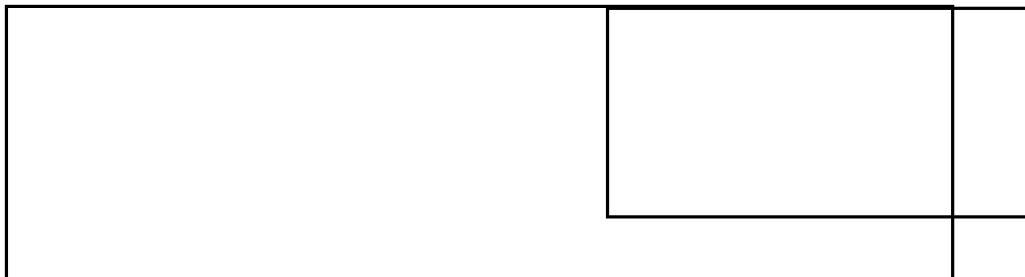
1. The Communists have stepped up their efforts to harass and kill the pacification teams. The effort is nationwide, but more than half of the 300-plus attacks since the first of January have taken place in the northern First Corps area.

III. The Communist threat in First Corps amounts to about 56,000 enemy regulars, including the NVA units in and just above the DMZ. It is to meet this threat that MACV recently moved about three U.S. Army brigades, with their supporting artillery, from the Second and Third Corps areas into the southern part of First Corps. They will relieve Marine garrisons there for commitment to the northernmost provinces.

A. There are no positive indications of impending major enemy offensives elsewhere in South Vietnam,

but the Communist forces still have a potential to make trouble, particularly in the highlands.

D.



that the enemy's 1967 "summer campaign" would begin in early April in Quang Tri and Thua Thien provinces, subsequently expanding to the western highlands and the coastal provinces of north-central Vietnam by June. Of these three major battlefields, the western highlands of Pleiku and Kontum provinces were reportedly considered of prime importance to the Communists' over-all strategic objectives in the northern half of South Vietnam.

C. The Communists are maintaining a replacement and convalescent group on Cambodian territory, according to documents captured in March and April during Operation JUNCTION CITY, the spoiling operation into War Zone "C" along the Cambodian border west of Saigon.

1. This group, known as "B-525," amounts to about 7,500 men, and is subordinate to the Central Office for South Vietnam.

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2. The Viet Cong Ninth Division, composed of the North Vietnamese 101st and the Viet Cong 271st and 272nd Regiments, lost more than 2,000 killed during JUNCTION CITY, and pulled back into Cambodia.

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3. [REDACTED] three regiments made up their losses from the "B-525" Replacement Depot, and are now back in War Zone "C."

Political Developments

IV. Now that the new South Vietnamese constitution has been promulgated, political attention is on the coming national elections in September.

A. At least five civilian candidates have already declared themselves, but the big question--that of a single military candidate--remains unresolved.

1. Both Premier Ky and Chief of State Thieu have presidential ambitions, and they have not yet been able to agree privately on which one should run.
2. Meanwhile, the military establishment has announced that it will not formally select a presidential candidate, thereby avoiding for the present the possibility of splitting its ranks between Ky and Thieu supporters.

3. However, this raises the possibility that both men may run for the presidency if they fail to come to terms privately, a development which could damage military unity by inflaming political rivalries within the armed forces during the campaign.
- B. If the only one military candidate emerges, on the other hand, his chances of winning the election appear fairly strong.
1. The draft election law gives the presidency to the man with the most votes, without reference to a majority or a run-off.
 2. The army is the only effective national organization, and the government's resources at local levels far outweigh those of any civilian group.
 3. Only two of the civilian candidates--assembly chairman Phan Khac Suu and former premier Tran Van Huong--seem to have any real chance, but both are appealing largely to the delta areas and thus could cancel each other out.
- C. It remains possible that the military might attempt to rig the election if the field of candidates narrows and the race appears close.

2. There are other reports of efforts by both Ky and Thieu supporters to develop a broad pro-government civilian front; this could make a military candidate more palatable, and also help the eventual evolution of a few national political parties.

V. Meanwhile, the local elections for village and hamlet offices, which began in early April and will run into early June, have been proceeding fairly well.

A. Despite considerable voter apathy and some reluctance by candidates to risk Viet Cong retaliation, voter turn-out in areas where elections were held averaged 78 percent for the five Sundays of voting for 984 village councils.

B. In these elections the Viet Cong killed 12 and kidnaped 31 of the candidates.

C. Voting for some 4,500 hamlet chiefs will begin on 14 May.

North Vietnam

- VI. North Vietnamese officials have not withdrawn their offer to consider talks with the U.S. in exchange for a permanent cessation of the air strikes, but they have indicated clearly that this concession is as far as they are prepared to go at the present time.
- A. The Hanoi leaders have resumed their emphasis on the importance of the "Four Points" as the only basis for a settlement of the war. On at least two occasions they have gone out of their way to underscore this attitude.
1. On March 21st, Hanoi released the February exchange of secret letters between President Johnson and Ho Chi Minh on possibilities for ending the war, in which the North Vietnamese President reverted to the tough and unyielding language of earlier DRV statements on conditions for peace.
 2. The next week, Hanoi bluntly rejected UN Secretary General U Thant's mid-March proposals on negotiations.

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VII. Peking is the only DRV ally who has not approved of Hanoi's recent offer to talk in exchange for a cessation of the bombings.

A. The Chinese have greeted both the original offer by the DRV foreign minister and the Ho-Johnson correspondence with stony silence.

VIII.

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DIC BRIEFING FOR
RIVERS SUBCOMMITTEE

GREECE

- I. Since I briefed you last week the Revolutionary Committee has taken a small step toward restoring parliamentary government by announcing that constitutional amendments would be drafted and submitted to a popular referendum. After this parliamentary elections will be held. However, no time schedule was announced.
- A. These steps are likely to take a year to eighteen months to carry out. But the pressure to take constructive steps is now on the Committee.
- II. Andreas Papandreou remains in custody apparently well treated. It is still unclear whether he will face a civil or military court [REDACTED]
- [REDACTED]
- A. The government feels it has sufficient evidence to clearly implicate Andreas, and

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his father George, in the ASPIDA affair, a clandestine conspiracy allegedly directed against the throne.

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DCI BRIEFING FOR
RIVERS SUBCOMMITTEE

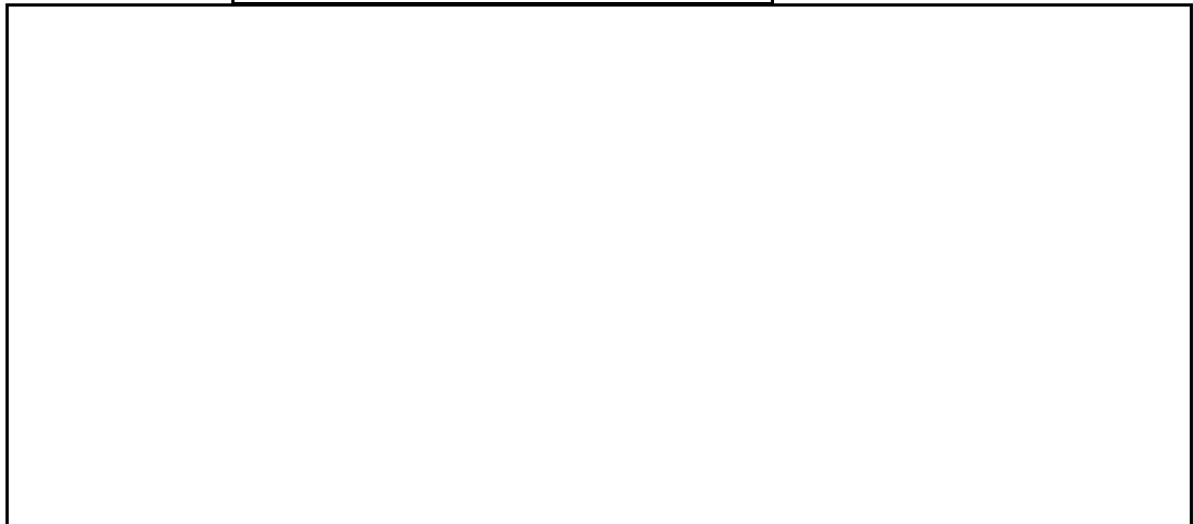
YEMEN

- I. The present crisis in our relations with the Egyptian puppet regime in Yemen centers on a completely fraudulent charge that two American AID employees--accused by the Yemenis of being CIA personnel--fired bazookas at an ammunition dump in an effort to blow up the city of Taiz.
- A. Four bazooka rounds were, in fact, fired at a camp of the Egyptian 85th Parachute Battalion, not far from the U.S. residential compound outside Taiz. At least two men were killed. The Egyptians and Yemenis say dogs followed a scent from the scene of the firing to the U.S. compound, and that bazooka rounds were found in the compound.

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1. Sabotage of this kind is attempted frequently in Yemen by various groups of dissidents, and the U.S. is often publicly accused of complicity in subversion.

D. This time, it appears that the Egyptians and Yemenis, despite the performance of their star witness, genuinely believe that we are engaged in sabotage and this time have been caught.

1. The Yemeni Government has ordered the AID mission out, and all American personnel have been evacuated except the two men who have been detained and eleven diplomatic personnel.
2. Americans being evacuated were harassed on departure, and Yemeni officials

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commandeered some of their possessions.

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3. The two AID employees have not been formally indicted and the Egyptians claim they will be released without trial by 15 May. They are being well-treated, and Embassy personnel have unrestricted access.

II. The riots which hit the US Embassy the day after the attack appear to have been incited deliberately, but we have no proof of this

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Given the

atmosphere in Yemen, anti-US riots are not difficult to raise.

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DIC BRIEFING FOR
RIVERS SUBCOMMITTEE

CHINESE DOMESTIC DEVELOPMENTS

- I. The Chinese Cultural Revolution is regaining its frenzy after a brief lull. On the surface, there is a renewed and perhaps final drive to destroy the titular Chief of State, Liu Shao-chi. Behind this facade, the extremist elements around Mao Tse-tung and Lin Piao appear to be locked in struggle with more moderate forces led by Premier Chou En-lai.
 - A. Mao, Lin and Chou maintain the appearance of unity in public; Chou remains the chief spokesman for the regime. Lin has again appeared in public after an absence of almost five months. We believe that their alliance is at best very shaky and uneasy.
 - B. The unleashing of Red Guards last month led immediately to reports of new outbreaks of violence.

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2.

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[redacted] a particularly brutal incident occurred last Saturday in the western Chinese city of Chengtu, where troops allegedly used machine guns and grenades to kill or wound 2,000 Red Guards.

3. Such accounts are unconfirmed, however,

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4. We strongly suspect that the purpose of circulating these exaggerated reports is to discredit local party and military leaders who are slated to be brought down.

II. After the Cultural Revolution had brought the country to the brink of chaos in January, order and discipline were restored in most areas largely as a result of efforts by Chou En-lai.

A. Chou's most important role in that period was to reassure the army, and to make it a more responsive instrument of control. He did this by dampening a purge which had been launched in the army, and by issuing a series of policies moderating the Cultural Revolution.

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III. His actions were grudgingly supported by Mao and Lin at the time. But they were hotly debated, and in some cases reversed, at high-level meetings held in late March in Peking.

A. A major effort seems to be under way to remove military commanders, both in Peking and the provinces, who were vigorous in implementing the directives Chou pushed through, even when that meant arresting unruly Red Guards.

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IV. Vicious Red Guard poster attacks are now being aimed at Chou's proteges in the government, and at top military men who are being held responsible for letting the Cultural Revolution subside in

February. A common thread running through the charges against these men is that they resisted extremist policies desired by Mao and Lin.

A. The military men under attack--Yeh Chien-ying (YEH JYAN-YING) and Hsu Hsiang-chien (SHOO SHYANG-CHYAN)--had worked very closely with Mao and Lin until recently. Both are politburo members and vice chairmen of the powerful Military Affairs Committee.

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B. In recent weeks a main target of Red Guard posters and demonstrations has been Chou's protege, Foreign Minister Chen Yi.

1. The foreign minister has been criticized before, but never this harshly. He is now accused of being a "counterrevolutionary revisionist" who has opposed Lin Piao and followed the line of the disgraced chief of state, Liu Shao-chi.

CHI-4

2. Chen Yi continues to perform ceremonial duties, but he is clearly in serious trouble.

C. So far, Chou has not come to the defense of his proteges during the new wave of attacks. With his usual flexibility, he is adjusting to the latest political winds, with his own status uppermost in his mind.

1. Chou is still running the day-to-day work of the regime. This could be by default, however, and not necessarily a reflection of his political power; he is the only one of the ruling triumvirate who is physically strong enough to put in a full day's work.
2. He does not have many people left to help him. Last August, 25 men were installed in the politburo; today, only seven of them are still active and in apparent good standing--Mao, Lin, Chou, one propagandist, two security chiefs, and one economic planner.

CHI-5

11 May 1967

DCI BRIEFING FOR
RIVERS SUBCOMMITTEETHAILAND

- I. Communist insurgents are intensifying their activities in northeast Thailand in an apparent attempt to counter government security programs there.
- A. During March the insurgents initiated 30 percent more armed encounters than in February.
1. This means an average of one clash a day, and matches the number started by government forces.
 2. A marked rise in casualties was noted on both sides.
- B. Although the picture is not clear, there are indications that the insurgents are tailoring their effort to meet a government security program begun last January in areas of known Communist strength.
1. The guerrillas have apparently attempted to avoid direct confrontation with large security units. In some cases the guerrillas have moved some of their assets into peripheral areas.

TH-1

2. At the same time, they appear to be trying to upset Bangkok's efforts to establish local defense forces in isolated villages. They have apparently taken advantage of the government's inability to react quickly.

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- C. The insurgents are also stepping up their political activities.

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3. This program along with the increased harassment of village defense units serves to underline the inadequacy of government security.

TH-2

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D. Despite the rise in the Communists' activity there is no evidence that they have significantly increased their strength or have brought new areas under their influence.

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TH-3

11 May 1967

DCI BRIEFING FOR
RIVERS SUBCOMMITTEEINDIA

- I. In India, the food crisis is going to become even worse this summer, and it will remain acute at least until the end of this year.
 - A. The second straight year of drought in some of the major grain regions is going to reduce this fall's harvest.
 - B. On top of that, the summer monsoons will make roads impassable, creating serious distribution problems for food imports.
 - 1. Many of the areas hardest hit by food shortages can be reached only by road.
- II. The slim Congress Party majority in Parliament remains intact, but only eight of India's 17 states are under Congress control.
 - A. Strained relations between the Congress Party central government and non-Congress state governments could create additional food supply and other problems.
 - B. Several of the non-Congress state governments are shaky coalitions that may not last long.

IND-1

C. The splintered opposition parties, at least in New Delhi, have been largely unable to form a common front against the weakened ruling party.

III. The victory of the ruling Congress Party's candidate for president has given a much needed boost to the sagging prestige of both the party and Prime Minister Gandhi.

A. Zakir Husain, a prominent educator and previously vice president, is the first Indian Muslim to occupy this prestigious, though largely ceremonial, office.

B. Husain reportedly favors a strong Indian government and improvement of relations with Pakistan, but his influence on policy is likely to be minimal.

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11 May 1967

DCI BRIEFING FOR
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PANAMA NEGOTIATIONS

- I. Negotiations with Panama for a new canal treaty have entered a crucial stage. From here on in, the Panamanians are bound to look at them as a major issue in the campaign for their presidential elections in May, 1968.
- A. President Robles, in a speech on his return from Punta del Este, said he was elated over his meeting with President Johnson, and hopeful that the canal talks could be finished within the time frame set by the Panamanians.
- B. Robles sent Foreign Minister Eleta to New York on 8 May to wind up the canal treaty negotiations

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- C. The Panamanians want a draft treaty completed in time to be ratified by a special assembly session late this summer.

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PAN-1

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D. Arias has indicated that he might abstain, claiming fraud by the ruling elite, and then move in an attempt to overturn the government.

PAN-2

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BOLIVIA

I. The insurgent band located in southeast Bolivia is believed to number about 60 members drawn from the pro-Soviet and pro-Chinese Communist Parties, and other extreme leftist groups.

A. Leadership is diffused, but

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[redacted] a pro-Soviet Communist Party member, is believed to be in charge.

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B. The band consists of assorted Bolivian malcontents and ex-tin miners, as well as some foreigners. Cubans may be present in an advisory capacity, but this is uncertain.

C. The guerrillas are well-armed, well-supplied, and well-trained. From all indications they intend to stay in the area for some time.

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II. To date the Bolivian army's counterinsurgency campaign has been a virtual failure.

- A. The troops, conscripts for the most part, are poorly trained, poorly equipped, and badly led. Morale is low and operations are chaotic.
- B. Government strategy is to try to encircle the guerrillas.

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D. President Barrientos continues to press the United States for additional military equipment, particularly automatic weapons, bombs, and support aircraft.

E. The last reported clash with the guerrillas occurred on 25 April.

III. Political stability has not been weakened as yet by the insurgency.

- A. Prolongation of the problem will weaken the regime in the long-run, however, as monies for economic development are diverted to military use.

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B. Repeated guerrilla successes coupled with army losses will also encourage other dissident groups to attempt subversion.

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DOMINICAN REPUBLIC

- I. There has been some deterioration recently in the political position of President Balaguer.
 - A. He has come under intensified attack from the left and the "anti-Trujillo" right over such issues as the government's failure to prevent or solve sporadic incidents of political terrorism and the presence of associates of Trujillo in the government.
 - B. Moderates have been critical of the President's failure to respond positively to responsible criticism.
- II. There is no available evidence that this dissatisfaction has yet been translated into serious plotting that threatens the government.
 - A. Balaguer still appears to be accepted by most of the military and has the enthusiastic backing of some officers.

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B. Nevertheless, if trends evident over the last few months continue there will be increasing polarization into pro- and anti-Balaguer elements and the chance of a serious threat to stability will increase.

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ISRAEL-SYRIA

- I. The Israeli-Syrian border is still tense following a series of terrorist incidents and the air battle of 7 April in which six Syrian MIG-21s were downed by Israeli Mirage fighters.
- A. The 7 April clash escalated after Syrian troops opened fire on Israeli armored tractors working in fields near a village on Lake Tiberias.

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- II. The Syrians have lost about half of their combat-ready MIG-21s, and most of their qualified pilots for these aircraft, so they are reluctant to attempt any new action which might lead to new air battles.

I-S-1

- A. They are braced for a possible renewal of hostilities, however, and would obviously like to retaliate, given the chance.
- B. In the meantime a series of terrorist incidents, apparently the work of the Syrian-supported Fatah organization, is building up pressure in Israel for some new form of counteraction against Syria.
- C. One of the incidents, on 5 May, involved the 60mm mortar shelling of an Israeli border village from Lebanese territory.

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I-S-2

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